

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE – 11/09/2018**

<b>Subject:</b>	Procurement of Accredited Homecare Providers		
<b>Corporate Director(s)/ Director(s):</b>	Candida Brudenell, Assistant Chief Executive and Corporate Director for Strategy and Resources Alison Michalska, Corporate Director for Children and Adults Catherine Underwood, Director of Adult Social Care (DASS Nottingham City)		
<b>Portfolio Holder(s):</b>	Councillor Graham Chapman, Portfolio Holder for Finance, Resources and Commercial Services Councillor Sam Webster, Portfolio Holder for Adult Social Care and Health		
<b>Report author and contact details:</b>	Peter Morley 0115 876 5163 Peter.morley@nottinghamcity.gov.uk		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Subject to call-in</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Reasons:</b> <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total value of the decision:</b> Maximum value of £63.590 million (This figure is based on 8 year duration of the contract, with 60% of packages delivered by Accredited Providers. The figures are based on the current accredited homecare rate of £15.50 per hour. The tender will be advertised at this level and the market will be notified of any uplifts for 2019/20 when these are agreed.)			
<b>Wards affected: All</b>	<b>Date of consultation with Portfolio Holder(s):</b> <b>Councillor Webster 23/08/2018</b> <b>Councillor Chapman 22/08/2018</b>		
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input checked="" type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>The current model of Homecare provision for vulnerable adults includes a list of providers who have been approved through an accreditation process. The process ensures we have providers in place that can deliver reliable care of sufficient quality to support vulnerable adults to stay in their homes and live independently and in safety. The current accreditation expires on 31<sup>st</sup> March 2019. This report seeks authorisation to procure a new accredited list of providers to support lead Homecare providers (see section 2.1) from the 1<sup>st</sup> April 2019.</p> <p>This specification is based on and complements the new Homecare Lead Provider model and contract issued in April 2018.</p>			
<b>Exempt information:</b>			
None			

<b>Recommendation(s):</b>	
<b>1</b>	Approve maximum spend of £63.590m to establish contracts as part of a new accreditation of homecare providers based on 2018/19 rates. (Note: approval to spend will be through the Council's scheme of delegation for Adults Care Packages)
<b>2</b>	Approve a procurement process to establish a new accredited list of homecare providers with effect from 1 <sup>st</sup> April 2019 for 4+4 years.
<b>3</b>	Delegate authority to the Head of Contracting and Procurement to award contracts in accordance with the outcome of the accreditation process and delegate authority to the Market Strategy and Development Manager to sign the contracts.

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 The current list of accredited providers for Homecare will expire on 31<sup>st</sup> March 2019. The proposal in this report is to institute a tender process to replace the current list of accredited providers. This could include new providers coming into the homecare market in Nottingham and re-accrediting existing providers. This will ensure a seamless transition of service delivery for some of our most vulnerable citizens, including older people with mobility and personal care support needs.
- 1.2 The accredited list of providers is vital in ensuring there is adequate capacity and that there is a back-up for the lead provider model. It ensures that there are a range of providers available in the City, giving citizens choice. It also allows smaller 'niche' providers to be active in the City.
- 1.3 There will be two accredited provider contracts. One will be for providers to deliver all health and social care provision funded through the City Council, Health, and/or individual citizens. The other will include more complex healthcare tasks that will be funded through NHS Nottingham Clinical Commissioning Group Continuing Healthcare. Both service specifications include a requirement that when a citizen's needs escalate or when they are coming to the end of their life, no matter where the funding is from, they will continue to deliver services commensurate with the tasks as outlined in the service specification that makes up that provider's contract. This is to enable seamless service delivery for citizens as their needs escalate or they reach the end of their lives, no matter who is funding the service. It will encourage better interagency partnership working and communication. The specifications have been developed in partnership with NHS Nottingham City Clinical Commissioning Group. The contracts will use the standard NHS contract template.
- 1.4 Where providers are willing to provide more complex clinical interventions, this is supported by the provider of the NHS community contract. There is a requirement in this contract that the provider (CityCare) will train Homecare providers to deliver more complex care, and that this will be monitored and implemented safely and effectively.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The current model of Homecare delivery in Nottingham is represented pictorially in Appendix 1. When a citizen is assessed as having a need for

Homecare through a social work assessment, they will normally receive a short-term period of reablement from the internal Social Care Reablement Service. The Reablement Service will work with the citizen to improve and regain their skills and independence, thereby reducing their dependence on homecare intervention and improving their outcomes. During this period they are assessed for their long-term package of care. At the end of the reablement period a long-term package of care is offered to four 'lead' Homecare providers who work geographically in the north, south, east and west of the City. It is intended that these providers will deliver the bulk of the homecare in their given geographical area. If the lead provider is unable to pick up a package of care that is offered to them within a given timeframe, the package is then offered out to a list of accredited providers who work across the City.

- 2.2 The Council recently undertook a successful exercise to recommission the lead provider Homecare contract. This involved consultation with citizens around what 'good' homecare looked like to them. These became a list of 'I' statements that were included in the service specification for the lead provider contract, and that will again be included in the service specification for the accredited provider list. The accreditation process will include measures to ensure that providers receiving accreditation can demonstrate that their services will meet citizens' requirements in respect of 'good' homecare.
- 2.3 Providers on the current accredited list deliver circa 60% of externally commissioned Homecare in the City at present. This can fluctuate from week to week.

### **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Another option considered was to have a lead provider in each of the geographical areas with a number of support providers to back these up, in place of an accredited list of providers. Having tried this model before in Nottingham, the reduced number of lead and support providers meant reduced capacity in the City, which led to the need to spot purchase provision from uncontracted providers.

For this reason the lead and support provider approach was not taken forward as a model for Nottingham.

### **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 4.1 The estimated value represented within this decision reflects current activity levels and price and costs will change over the duration of the contract to reflect actual service delivery. The contractual arrangements will carry no guarantee of work and it should be noted that approval to spend against the accredited provider homecare contracts will be given through established mechanisms that exist within Adult Social Care for each package of care.
- 4.2 The consideration and approval of annual fee rates for Homecare provision will align to the Council's budget setting process and Medium Term Financial Plan (MTFP) and will be subject to approval through the appropriate governance process.

- 4.3 The procurement of an accredited list of homecare providers that meets the needs of local people through the most economic, efficient and effective means and provides continuity of service for citizens will ensure value for money is delivered. Darren Revill - Senior Commercial Business Partner, 29<sup>th</sup> August 2018.

**5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

- 5.1 The proposed procurement of an accredited list of homecare providers will be undertaken by the Procurement Team in accordance with the EU and UK Procurement Regulations (Light Touch Regime) and the Council's Financial Regulations. It will be through a fair, open and transparent process whereby all providers that meet the required standards will be awarded a contract. This will ensure quality of services whilst providing flexibility and capacity in the market to meet the needs and choice of citizens. The selection of providers from the accredited list should be through a fair and transparent process, in cases when the lead contracted homecare providers cannot provide capacity.

Jo Pettifor, Category Manager – Strategy and People, 13<sup>th</sup> August 2018

- 5.2 The award of contracts for the care services described in this report is subject to the Public Contracts Regulations 2015 (the Regulations) and specifically governed by a set of rules in the Regulations which is referred to as the 'light touch regime'. The City Council is able to determine the procurement procedure for awarding contracts governed by the light touch regime subject to compliance with the principles as set out in para 5.1 above. On that basis the City Council is able to select providers through an accreditation process which has similar characteristics to a framework and a DPS without having to comply with the specific rules for those procedures.

Andrew James – Team Leader, Commercial, Employment and Education Team, 21<sup>st</sup> August 2018.

**6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

- 6.1 N/A

**7 SOCIAL VALUE CONSIDERATIONS**

- 7.1 The contract will make provisions to increase and improve employment opportunities. The tender process will include asking providers to demonstrate their commitment to ethical employment around terms and conditions, training and working conditions.

**8 REGARD TO THE NHS CONSTITUTION**

- 8.1 N/A

**9 EQUALITY IMPACT ASSESSMENT (EIA)**

9.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because there is likely to be very little change to provision in the City. Providers will be able to engage with the accreditation process on an ongoing basis. As such, it is anticipated that there will be little change to service delivery, besides encouraging new providers to become active in the City.

Yes



Attached as Appendix x, and due regard will be given to any implications identified in it.

**10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

10.1 N/A

**11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

11.1 Delegated Decision Ref 2949 Re-procurement of Homecare 28/9/2017